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PROFIT WARNING

This announcement is made by Regal Hotels International Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review by management of the Company on the unaudited consolidated management accounts of the Group for the year ended 31st December, 2018, the profit of the Group for the year ended 31st December, 2018 is expected to decrease by more than 40% as compared with that reported for the preceding year.

Although the profit expected to be achieved for the year under review will be substantially lower than that recorded in 2017, the business operations of the Group have performed satisfactorily and generated gross profit higher than that attained in the prior year. The expected decrease in the profit to be achieved for the year was principally due to the fact that in the year ended 31st December, 2017, there was an one-off income derived from the reimbursement of rental expenses (net of hotel operating income) with regards to the leasing by the Group of the iclub Sheung Wan Hotel and iclub Fortress Hill Hotel for their initial 3-year terms and, as affected by the downturn of the debt and capital markets, particularly in the second half of the year, the profit contribution derived from the Group’s financial assets investment business during the year was significantly below the level attained in 2017.

This announcement is only based on the unaudited consolidated management accounts of the Group for the year ended 31st December, 2018. The audited consolidated financial statements of the Group for the year ended 31st December, 2018 are still being finalised. The final results announcement of the Group for the year ended 31st December, 2018 will be published on 26th March, 2019.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Regal Hotels International Holdings Limited
Eliza Lam Sau Fun
Secretary

Hong Kong, 20th March, 2019

As at the date of this announcement, the Board comprises the following members:

Executive Directors:

Mr. LO Yuk Sui

(Chairman and Chief Executive Officer)

Miss LO Po Man

(Vice Chairman and Managing Director)

Ms. Belinda YEUNG Bik Yiu

(Chief Operating Officer)

Mr. Donald FAN Tung

Mr. Jimmy LO Chun To

Mr. Kenneth NG Kwai Kai

Mr. Allen WAN Tze Wai

Non-Executive Director:

Dr. Francis CHOI Chee Ming, GBS, JP

(Vice Chairman)

Independent Non-Executive Directors:

Ms. Alice KAN Lai Kuen

Professor Japhet Sebastian LAW

Ms. Winnie NG, JP

Mr. WONG Chi Keung